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COUNTRIES AND PEOPLES

BRITISH VIRGIN ISLANDS

Working paper prepared by the Secretariat

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BRITISH VIRGIN ISLANDS 1/

I. GENERAL

1. The British Virgin Islands comprises nearly 30 islands and islets, 16 of which are inhabited. They cover a total of 153 square kilometres and lie 96 kilometres east of Puerto Rico and 225 kilometres north-west of Saint Kitts and Nevis. The Territory also lies close to the United States Virgin Islands. The most important islands in the Territory are Tortola (54 square kilometres, the largest in the group), Anegada (38 square kilometres), Virgin Gorda (21 square kilometres) and Jost Van Dyke (9 square kilometres). Peter Island and Cooper Island are mainly holiday resorts. The main airport is situated on Beef Island. Road Town, the capital, is located on Tortola. The climate is subtropical and is moderated by trade winds. The average temperature in winter ranges from 20 to 28 degrees centigrade and in summer from 26 to 31 degrees centigrade. Mean annual rainfall is 1,270 millimetres.

2. According to the latest estimates, as of July 1989, the population of the British Virgin Islands was 13,000. Owing to the Territory's special relationship with the United States Virgin Islands, its residents are exempt from the visa requirements of the United States of America when visiting the United States Virgin Islands. As a result of this arrangement the Territory continued to experience some difficulties with illegal immigrants who use the British Virgin Islands as a springboard for entering the United States Virgin Islands.

II. CONSTITUTIONAL AND POLITICAL DEVELOPMENTS

A. Constitution and constitutional developments

3. A detailed description of the British Virgin Islands Constitution Order, 1976, as amended in 1979 and 1982, is contained in the previous working paper on the Territory prepared by the Secretariat (A/AC.109/1180, paras. 6-12).

4. As reported previously (see A/AC.109/1142, paras. 13-15, and A/AC.109/1180, paras. 13-18), the administering Power conducted a constitutional review in the British Virgin Islands in 1993 at the request of the territorial Legislative Council.

5. During the constitutional review, the Constitutional Commissioners received 45 written submissions and conducted 59 interviews with groups, organizations and individuals in the Territory. They also held 12 public meetings (8 meetings on Tortola, 2 on Virgin Gorda and one each on Anegada and Jost Van Dyke), which were attended by a total of 317 persons. 2/ Meetings and discussions were also held with the territorial Governor, the Chief Minister and other ministers, the Speaker, the Deputy Governor, the leader of the Opposition and all other members of the Legislative Council, the Chairman of the Public Service Commission and the Attorney General. 3/

6. The report of the Constitutional Commissioners was presented to the Parliament of the United Kingdom of Great Britain and Northern Ireland by the Secretary of State and Commonwealth Affairs in April 1994.* The conclusions and recommendations of the report are summarized below.

Future status

7. Many of those who gave evidence to the Constitutional Commissioners "saw independence as a natural development at some unspecified time in the future" ... "when the economy could sustain it better and the present infrastructure had been improved". The Commissioners "were encouraged to learn that there were those in the Community who believed that the British Virgin Islands should properly aspire to nationhood". The Commissioners also found that "there was much misunderstanding about how independence would come about" and made it clear that "a prerequisite to independence must be a constitutionally expressed wish of the people" of the Territory and that "independence should be sought only if, as a result of a referendum, a majority of the people of the British Virgin Islands entitled to vote in the referendum voted in favour of independence". "Among those who considered that independence should come sooner rather than later, there were a few who believed that now was the time to 'prepare' the British Virgin Islands to assume additional responsibilities which independence would bring", suggesting that "this preparation should include the devolution to elected ministers of a major part of the Governor's present responsibilities".

Governor and Deputy Governor

8. The Commissioners concluded that the Governor's special responsibilities should be maintained; however, those special responsibilities should be exercised by the Governor in consultation with the Executive Council. The responsibilities of the Deputy Governor are determined as follows: "assisting the Governor in the exercise of his special responsibilities".

Executive Council

9. According to the Commissioners, the Executive Council should consist of the Chief Minister, not less than two or more than three other ministers, the Attorney General ex officio, with the Governor presiding.

Legislative Council

10. The report indicates that the number of members of the Legislative Council should be increased to 13. Elections by the members of the Legislative Council should be conducted by voting at large in order to ensure that the elected members "bear a wider spectrum of ideas ... and better represent the diverse views of populace and demonstrate a greater commitment to the national interest as a whole".

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* Copies of the report are available in the secretariat of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

Chief Minister

11. Although many persons expressed the view that the Chief Minister should be elected by voting at large, the Commissioners maintain that the Chief Minister should continue to be appointed by the Governor.

Proxy voting

12. The Commissioners recommended that the 1990 legislation allowing proxy voting in the general elections should be abolished.

Speaker

13. According to the report, the Legislative Council should be permitted to exercise an option to elect the Speaker either from among its members or from outside its membership.

Attorney General

14. The Commissioners maintain that the Attorney General should continue to be member of the Legislative Council ex officio.

General elections

15. The report recommends that a general election should be held within three months after dissolution of the Legislature.

Public Service Commission

16. According to the report, the Commission would consist of two members appointed by the Governor acting in his discretion, and two members appointed by the Governor in consultation with the Civil Service Association and the Chief Minister. The Chairman of the Commission would be chosen by the Governor from among those four members in consultation with the Chief Minister.

Nationality and Belonger status

17. The Commissioners find that there is an urgent need to reconcile certain provisions of the British Nationality Act on the one hand and the British Virgin Islands Constitution and the Immigration and Passport Act on the other so that the Governor, when granting British nationality, will be bound to act in accordance with the advice of the Executive Council.

Bill of Rights

18. The report recommends that a bill of rights guaranteeing fundamental rights and freedoms should be included in the Constitution.

Register of Interests

19. The Commissioners indicate that all members of the Legislative Council should be prescribed by law to declare to a register their interests of a pecuniary nature and sources of income.

Ombudsman

20. The report also recommends that the Constitution should contain a provision on the establishment of an Office of Ombudsman.

21. On 22 June 1994, the Parliament of the United Kingdom adopted legislation amending the Constitution of the Territory, as had been recommended by the Constitutional Commissioners. The amendments were brought into power in the British Virgin Islands by a proclamation signed by the Governor on 19 July 1994. 4/

B. Political parties and elections

22. There are three political parties in the British Virgin Islands: the Virgin Islands Party (VIP); the United Party (UP) and the Concerned Citizens Movement (CCM). 5/

23. General elections were held in the Territory on 20 February 1995. Forty-six candidates were officially nominated to contest 13 seats in the Thirteenth Legislative Council of the British Virgin Islands. According to the Elections Office, 5,287 of 7,731 registered voters participated in the elections. The Virgin Islands Party won 6 seats; the United Party and the Concerned Citizens Movement, 2 seats each; and independent candidates, 3 seats. 6/ Mr. H. Lavity Stoutt, the Virgin Islands Party candidate, was elected Chief Minister of the British Virgin Islands and, on 21 February, was sworn in as Chief Minister and Minister of Finance of the Territory. Mr. Stoutt was first elected a member of the Legislative Council in 1957 and served as Chief Minister of the Territory during 1967-1971, 1979-1983 and 1986-1994. 6/

C. Public service

24. As of 31 March 1993, when data were last available, the public service of the Territory comprised over 1,000 established posts and nearly the same number of non-established posts. 7/

III. ECONOMIC CONDITIONS

A. General

25. The economy of the British Virgin Islands continued to be based on tourism, international business, construction, land development and government services. Agriculture and a small-scale manufacturing sector play a secondary role in economic development.

26. According to the Caribbean Development Bank (CDB), 8/ in 1993, real territorial gross domestic product (GDP) increased by 3.5 per cent compared with 2.5 per cent during 1992. Much of the economic buoyancy in 1993 was attributed to continued rapid expansion in the offshore business sector and to good performance in the construction industry. In addition, there were indications of recovery in tourism after declining visitor arrivals in 1991 and 1992.

B. Public finance

27. In December 1994, the territorial Legislative Council approved the budget for the financial year 1995. The budget is based on estimated expenditure of US$ 73.6 million and on revenue projections of US$ 81.6 million with US$ 8 million in surplus. 9/

28. The priority capital projects for the financial year 1995 include, inter alia, the following: road improvement, US$ 1.8 million; construction of a new prison, US$ 3.5 million (in the United Kingdom funding); construction of a high school, US$ 2.1 million; construction of a community college library, US$ 1.5 million; and construction of a psychiatric wing at the local hospital and a mortuary, US$ 1.2 million. 9/

29. Estimated recurrent expenditure for 1995 includes, inter alia, the following: the Chief Minister's Office, US$ 5.2 million; water and sewerage services, US$ 5.1 million; the Public Works Department, US$ 4.6 million; the Health Department and Hospital Services, US$ 4.4 million; secondary education, US$ 3.7 million; the Police Department, US$ 3.6 million; primary education, US$ 3.5 million; and the Governor's and Deputy Governor's Office, US$ 2.4 million. 9/

30. As of October 1994, the public debt of the Territory stood at US$ 63 million. The public debt servicing for the financial year 1995 is estimated at US$ 4.5 million. 9/

C. Land development and construction

31. As previously reported (A/AC.109/1060, para. 51), there are 15,280 hectares of land in the Territory. As at January 1988, when data were last available, nationals owned 7,084 hectares, expatriates owned 2,215 hectares and 5,819 hectares were classified as Crown land. In response to growing concerns of local groups and individuals over the sale of land to foreigners and over access by local people to beaches and other environmental issues, the territorial Government had announced the introduction of several new measures. A report was submitted to the Governor in December 1993 on the sale of Crown land. 10/

32. Press reports indicate that a number of cases of unauthorized sales and apparent disregard for the established policy for the disposal of Crown lands were discovered during the period under review. In April 1994, the Governor concluded that the Crown land in North Sound, Virgin Gorda, had been sold in a "haphazard and piecemeal" fashion at rates considerably below those established by the territorial Executive Council at US$ 500 per acre. 7/

33. Aiming at safeguarding the Territory against land speculation, the Legislative Council introduced a number of amendments to the Aliens Landholding Ordinance in August 1994. Under the amendments, new property should be landscaped to the specifications laid down by the Chief Agricultural Officer and all areas bordering beaches would have to allow public access. Prospective landowners would have to obtain a licence from the Land Registry. Application fees for licences range from US$ 50 for individuals to US$ 75 for companies or organizations. The cost of licenses is established at US$ 50 for an individual and US$ 250 for companies or organizations. 11/

34. According to the Caribbean Development Bank, 8/ during the period under review the construction sector continued to grow at an accelerated rate. In the public sector, work continued on two projects: the Central Administration Complex and the Community College. Construction activity in the private sector benefited from an easing of commercial bank credit conditions.

D. Agriculture, livestock and fisheries

35. During the period under review, the production of the agricultural sector continued to grow. During 1993, the production of pork doubled, and the Territory began exporting live sheep to other Caribbean islands. However, poultry and egg production continued to decline as a result of the increased cost of imported inputs. All other areas of livestock and crop production continued to show output increases. 12/

36. According to press reports, 13/ in October 1994 the Governments of the British Virgin Islands and of the United States Virgin Islands commenced a review of the 1979 Treaty governing fishing policies by both territorial Governments. Among the issues to be addressed during the review exercise are the following: updating legislation on "pleasure boating" and streamlining fee schedules; preventing unauthorized fishing; addressing the issues of the Executive Economic Zone; and defining the maritime border between the two Territories.

E. Industrial development

37. The manufacturing sector continued to be characterized by a low level of activity. Aiming at stimulating the private manufacturing sector, the Government implemented the following measures: strengthening and expanding the programmes of the Trade, Investment and Promotion Department to include consumer protection and small business development; the review of current incentive legislation, with a view to enhancing certain provisions to place greater emphasis on local business; the establishment of an ad hoc committee on private investment opportunities; and the establishment of the British Virgin Islands Film Commission.

F. International business and finance

38. The activities of the international business and financial corporations in the Territory continued to be regulated by the British Virgin Islands

International Business Companies Act (1984). Referring to the Act as "the crown jewel of the territorial corporate law", Chief Minister H. Lavity Stoutt stated that international business accounted for over 40 per cent of total territorial revenue and was the largest contributor of direct public revenue. 14/

39. As at September 1994, approximately 130,000 international business companies were incorporated in the British Virgin Islands. 14/

40. According to the Caribbean Development Bank, 8/ during the period under review registrations of new international business companies in the Territory averaged 2,385 per month. During 1993, the Government's revenues from registration fees totalled US$ 8.23 million and company licence fees collected were estimated at US$ 13.6 million.

41. As of 1993, commercial bank loans and advances stood at US$ 210 million and total deposits equalled US$ 345 million. The loans-to-deposits ratio increased to 60.9 per cent from 51.4 per cent in 1992. 15/

G. Tourism

42. According to the Caribbean Development Bank, 8/ during 1993 visitor arrivals to the British Virgin Islands increased by 7 per cent compared with 1992. The improvement in performance of the tourist sector was largely attributed to an increase in tourist arrivals from North America and promotional efforts undertaken by the territorial Government in the European tourist market.

43. According to press reports, 16/ as of the third quarter of 1994, visitor air arrivals totalled 244,700. During the same period, 265 cruise ships carrying a total of 113,000 tourists called at the Territory.

H. Assistance from the United Nations system of organizations

44. Information concerning assistance from the United Nations system of organizations is contained in a United Nations Development Programme (UNDP) document entitled "Third country programme for the British Virgin Islands" (DP/CP/BVI/3 of 1 February 1995).

I. External debt

45. According to the Caribbean Development Bank, 15/ as of 1993, the disbursed and outstanding external public debt stood at US$ 34.4 million. CDB projects that the indicator of the external debt will continue to increase during 1995-1996.

IV. SOCIAL CONDITIONS

A. Labour

46. During the period under review, the Territory continued to rely heavily on expatriate labour, particularly in tourism and the financial servicing sector.

47. In 1993, the territorial Government developed a national integrated development plan for the period 1994-1998. During a visit to the Territory in 1993, the Population Affairs Officer of the Economic Commission for Latin America and the Caribbean (ECLAC) stated, inter alia, that the saturation of qualified workers in some areas and the paucity in others could be connected within the above plan, with programmes designed to guide students in careers which the Territory needed for continued growth. That advice was reiterated in a report released in September 1993 by the Task Force for Promoting Investment, which called upon the Government to institute a policy whereby imported skilled labour should be matched by parallel programmes aimed at training nationals who would replace those workers.

48. On 12 May 1994, the Government adopted legislation increasing the minimum wages in the Territory from US$ 1.25 to US$ 3.00 per hour. Generic labourers and domestic employees are to benefit from the legislation, which came into force on 1 June 1994. 17/

B. Public health

49. The Territory continued to be served by the Peebles Hospital on Tortola and by a number of clinics throughout the Territory. There is also a private hospital.

50. During the period under review, the territorial Government embarked on a five-year plan (1995-1999) aimed at improving reproductive health services. The plan contains specific recommendations aimed at decreasing infant and maternal mortality, and promoting family planning and reproductive health education. 18/ The Government will also address the question of increasing cases of teenager pregnancies, which currently account for 11 per cent of the total number of births in the British Virgin Islands. 19/

51. The increasing number of human immunodeficiency virus (HIV) infections continued to be a major concern in the Territory. According to the latest estimates, more than 800 persons in the British Virgin Islands were HIV-positive and 27 persons had the acquired immune deficiency syndrome (AIDS). 20/ The territorial AIDS and Sexual Health Programme (1994-1995) aims at promoting a healthy lifestyle and preventing an HIV epidemic. 21/ Recently enacted territorial legislation requires all physicians to report all cases of communicable diseases, including HIV and AIDS, to the British Virgin Islands authorities. 22/

C. Crime and crime prevention

52. According to press reports, 23/ during 1994 the number of violent crimes decreased significantly compared with 1993. According to police statistics, in 1994 there were 7 robberies (28 in 1993); 6 serious assaults (57 in 1993); 130 break-ins (337 in 1993); and 206 cases of larceny (338 in 1993).

53. During the period under review, drug-related crime continued to be among the major concerns of the territorial Government. According to the Director of the British Virgin Islands-based Council on Alcohol and Drug Abuse, "the potential for increased drug activity in the Territory due to the influx of tourists and, even more importantly, the potential inclination of both Government and private sector to suppress the reality of drug problems for the sake of preserving the trouble-free image deemed essential to the marketing of 'paradise', are spin-offs of the tourism and offshore industry". 24/

54. In April 1994, the British Virgin Islands hosted a Conference for Police Commissioners of Dependent Territories, which was attended by representatives of the United Kingdom, the United States and 18 Caribbean countries and Non-Self-Governing Territories. The Conference aimed at exploring avenues for joint anti-crime efforts in the region. 25/

V. EDUCATIONAL CONDITIONS

55. Education in the Territory continued to be free and compulsory for all children between 5 and 14 years of age. The territorial Government maintained as its priority the strengthening of the educational system.

56. According to the territorial Government, the Canadian Training Awards Project was the largest external source of funding available to the Territory. The coordinator of the Project visited the Territory in June 1993 to review the Territory's long- and short-term training needs. In August 1993, the Organization of Eastern Caribbean States (OECS), in conjunction with the German Agency for Technical Cooperation and the European Community, conducted a survey on technical vocational education and training in the Territory with a view to establishing a comprehensive data system covering education, training and labour market information. 26/

57. The Community College, in addition to its academic programme, established the curriculum for a vocational technical programme. The new programme, which began in the spring semester of 1994, includes certification in building construction, land surveying techniques, cabinet and furniture making, metalwork and welding technology, as well as in arts and crafts. 27/

VI. PARTICIPATION IN REGIONAL ORGANIZATIONS AND ARRANGEMENTS

58. The British Virgin Islands is an associate member of the International Labour Organization, the United Nations Educational, Scientific and Cultural Organization, and ECLAC and its subsidiary bodies, including the Caribbean Development and Coordination Committee. The Territory is also represented at

meetings of the Caribbean Group for Cooperation in Economic Development, sponsored by the World Bank.

59. The Territory is an associate member of the Caribbean Community (CARICOM), and participates in the activities of organizations and institutions associated with CARICOM, including the Caribbean Development Bank and the University of the West Indies. The British Virgin Islands is also a member of OECS.

60. The special relationship between the Territory and its neighbour, the United States Virgin Islands, continued to be strengthened. In 1993, the Governments of the United Kingdom and the United States signed the British Virgin Islands/United States Virgin Islands and Puerto Rico Boundary Treaty which, inter alia, establishes the boundaries between those Territories. In October 1994, it was announced that the British Virgin Islands would pursue associate membership in the Association of Caribbean States (ACS). 28/

VII. FUTURE STATUS OF THE TERRITORY

Position of the territorial Government

61. During the period under review, the Chief Minister of the Territory reiterated on many occasions his Government's position that the British Virgin Islands were ready for constitutional and political advancement towards full internal self-government. He also expressed his belief that the people of the Territory should prepare themselves for the ultimate status of independence and that it was the responsibility of the administering Power to assist them in attaining that goal via the gradual transfer of power to elected territorial representatives. 29/

Consideration by the General Assembly

62. In a statement before the Special Political and Decolonization Committee (Fourth Committee) of the General Assembly on 12 October 1994, 30/ the representative of the United Kingdom stated his Government's position towards its dependent Territories (see also A/AC.109/2013, para. 62).

63. On 9 December 1994, the General Assembly adopted resolution 49/46 B, a consolidated resolution on nine Non-Self-Governing Territories, section IV of which was specifically devoted to the British Virgin Islands.

Notes

1/ The information in the present paper has been derived from published reports.

2/ The Beacon (Tortola), 25 November 1993.

3/ Ibid., 2 December 1993.

4/ Ibid., 27 June 1994.

5/ Ibid., 12 February 1995.

6/ British Virgin Islands, Government Information Service, news release No. 044R/95; The Beacon (Tortola), 23 February 1995.

7/ The Beacon (Tortola), 14 April 1994.

8/ Caribbean Development Bank, Annual Report 1993, p. 29.

9/ The Beacon (Tortola), 8 December 1994.

10/ Ibid., 13 January 1994.

11/ The Island Sun (Tortola), 20 August 1994.

12/ Caribbean Development Bank, Annual Report 1993, pp. 29-30.

13/ The Island Sun (Tortola), 8 October 1994.

14/ Ibid, 10 September 1994.

15/ Caribbean Development Bank, Annual Report 1993, p. 30.

16/ The Beacon (Tortola), 8 December 1994.

17/ The Island Sun (Tortola), 29 May and 3 June 1994.

18/ The Beacon (Tortola), 29 September 1994.

19/ Ibid., 10 November 1994.

20/ Ibid., 17 March 1994; The Island Sun (Tortola), 12 March 1994.

21/ The Island Sun (Tortola), 27 March 1994.

22/ Ibid., 12 April 1994.

23/ The Beacon (Tortola), 29 September 1994.

24/ The Island Sun (Tortola), 7 May 1994.

25/ Ibid., 30 April 1994.

26/ The Beacon (Tortola), 7 October 1993.

27/ The Island Sun (Tortola), 14 August and 18 December 1993.

28/ Ibid., 1 October 1994.

29/ British Virgin Islands Government Information Service, news release No. 273R/93; The Beacon (Tortola), 11 January and 17 February 1995; The Island Sun (Tortola), 14 January 1995.

30/ A/C.4/49/SR.5, para. 28.